

IN THE UNITED STATES COURT OF FEDERAL CLAIMS

Case No. 24-639 T

(Judge Eleni M. Roumel)

TRANSWORLD EQUIPMENT CORPORATION,

Plaintiff,

v.

UNITED STATES,

Defendant.

JOINT STATUS REPORT REGARDING SETTLEMENT AND MEDIATION

Pursuant to the Court's minute order of March 27, 2025, the parties respectfully submit the following status report to the court regarding settlement negotiations.

As described in the previous status report, after the parties had completed formal discovery, they met on March 24, 2025, to discuss the possibility of resolving this case without further litigation. After further discussion and analysis of the facts by both parties' counsel, counsel for plaintiff sent a formal settlement offer to defendant's counsel on April 3, 2025. Defendant's counsel has evaluated the proposal and has asked the IRS Office of Chief Counsel to provide its formal views. Defendant's counsel is in the process of drafting a memorandum analyzing the settlement offer, which defendant's counsel will complete upon receipt of Chief Counsel's formal views. The memorandum will then be reviewed in accordance with the Tax Division's usual procedure. If plaintiff's settlement offer is approved by the Tax Division on

behalf of the Attorney General, the parties will file a stipulation of dismissal upon receipt of the IRS's Notice of Adjustment and the processing of any refund or credit.¹

Accordingly, the parties do not request reference to an ADR judge, since the parties' counsel of record have reached an informal understanding regarding a resolution of this case, pending review of plaintiff's offer by the IRS Office of Chief Counsel and the Chief of the Court of Federal Claims Section.

Respectfully submitted,

April 14, 2025

/s/ Joseph R. Longenecker

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¹ Due to the amount at issue, the Section Chief of the Court of Federal Claims Section has been delegated final authority to approve the administrative resolution.